

CITY OF BELLEVUE  
CITY COUNCIL

Summary Minutes of Extended Study Session

January 13, 2003  
6:00 p.m.

Council Conference Room  
Bellevue, Washington

PRESENT: Mayor Marshall, Deputy Mayor Degginger, and Councilmembers Creighton, Davidson, Lee, Mosher, and Noble

ABSENT: None.

1. Executive Session

Deputy Mayor Degginger opened the meeting at 6:00 p.m. and announced recess to Executive Session for approximately one hour to discuss one item of labor negotiations, one item of property disposition, and one item of potential litigation.

The Study Session resumed at 7:15 p.m. with Mayor Marshall presiding.

2. Oral Communications

- (a) Walter Scott, Legacy Commercial, commented on Agenda Item 3(e) regarding a proposal to allow apparel/accessories and miscellaneous retail uses in the GC district. He said the center had 10,000 square feet of vacant space this year for the first time ever and the center still has 3,851 square feet of available space. A bridal business interested in the larger space approximately five months ago had to be turned away because it sells apparel. Mr. Scott said the shopping center will be able to provide more services to the hospital and the general public if the zoning is revised. He explained that a “big box” retailer used to be 20,000 square feet. However, now retailers are interested in spaces that are 24,000 to 32,000 square feet. Mr. Scott thanked Council for listening to business owners’ concerns.
- (b) Scott Evans, The Evans Company, commented on Agenda Item 3(e) regarding retail uses in the GC district. He agreed with the Planning Commission’s recommendation that allowable uses be modified without imposing a maximum size for any one use. Mr. Evans described the difficulty in finding tenants with the current regulations on the types of uses allowed.

- (c) Todd Woosley, Hal Woosley Properties, spoke to Agenda Item 3(e) on behalf of his family's shopping center (Brierwood Center) and Lake Bellevue Shopping Center, which is owned by longtime neighbors. Mr. Woosley spoke in favor of allowing miscellaneous retail uses and apparel/accessories in the GC district, as recommended by the Planning Commission. He is opposed to staff's recommendation for a size limitation. Mr. Woosley said the Planning Commission concluded it would be unfair to impose a maximum size or square footage when no other uses are limited by size. He noted that businesses wishing to locate in Bellevue are being turned away due to GC zoning. Mr. Woosley described a business serving a minority population that wants to locate in Bellevue. He suggested inviting this business owner to the upcoming City-sponsored Retail Roundtable.
- (d) Jack McCloud, Bellevue School District, expressed support for the proposed Land Use Code amendments affecting public and private school development projects [Agenda Item 3(f)]. He appreciates the cooperation of the Department of Planning and Community Development in working on ongoing school development projects.
- (e) Steve Miller, Bellevue School Board Member, spoke to Agenda Item 3(f). He thanked PCD Director Matt Terry, Legal Planner Kate Berens, and staff for working with the school district while protecting the interests of the community as a whole. He noted the challenge of completing construction projects with limited funds and with schools occupied most of the year. Mr. Miller left copies of a report published by the League of Education Voters Foundation titled, "Realities of Education Funding in Washington State."

### 3. Study Session

#### (a) Council New Initiatives

[No new initiatives were discussed.]

#### (b) Management Brief regarding TOPOFF II Federal Exercise

City Manager Steve Sarkozy commented on planning efforts for TOPOFF II, a domestic preparedness exercise scheduled for May 2003 to test local, state, and federal plans for how the nation would respond to an attack using weapons of mass destruction.

Barb Graff, Emergency Preparedness Manager, said the TOPOFF II exercise is looking for 600 volunteers who are: 1) elected officials for a large city within King County, and 2) familiar with their city's emergency management program. TOPOFF II, named for its direct involvement of top officials, is sponsored by the U.S. Department of Justice and the U.S. Department of State. Ms. Graff said TOPOFF II will involve federal officials as well as state and local officials in Seattle/King County/Washington and Chicago/Cook County/Illinois.

Mayor Marshall volunteered to participate in the exercise.

Responding to Mr. Lee, Ms. Graff said the exercise will focus on emergency-related actions of top officials such as declaring an emergency, emergency legislative and funding decisions, and community recovery.

Mayor Marshall asked interested Councilmembers to contact Ms. Graff. Ms. Graff announced an upcoming training workshop on January 23. She will email the details to Council.

(c) Direction to Planning Commission regarding Scope of Remand on Wireless Policies and Regulations

Mr. Sarkozy recalled that Council previously directed the Planning Commission to consider amendments to policies and regulations related to wireless communications facilities.

Planning and Community Development Director Matt Terry explained that the Planning Commission is seeking direction from Council to broaden the scope of its policy review. Staff suggested expanding the scope of the City's regulations to encompass not only wireless communications but other forms including wired telephone, cable, and DSL. This suggestion is based on an interpretation from the City Attorney's Office that the 1996 Telecommunications Act may require that all types of communications providers be regulated in the same manner.

Mr. Terry said staff recommends the Planning Commission's public hearing on potential amendments be noticed broadly to include all communication providers. After hearing public testimony, the Commission and the Council can then decide whether or not to include all communication providers in the City's policies and regulations.

Mr. Mosher spoke in favor of broadening the Planning Commission's review to include all communications providers.

Deputy Mayor Degginger supports the request to broaden the scope of the Commission's review and public hearing. However, he emphasized this should not be interpreted as a Council position on whether or not all communications providers should be regulated in the same manner. Mr. Noble concurred.

(d) Public Safety Center Public Process and Schedule Options

Mr. Sarkozy noted the City completed its purchase of the Qwest Building on December 30, 2002. The purpose of tonight's agenda item is to plan the public involvement process regarding the building's use, potential improvements, and financing.

Mr. Terry referred to packet materials beginning on page 3-5 outlining a proposed schedule for building improvements and the public involvement process. He said the first question for discussion is how the former Qwest Building should be used. Council has committed to using the building for consolidated and centralized public safety functions, but additional uses are possible. Planning issues include what improvements should be made, how much money should be spent on improvements, and how the project should be financed.

Mr. Terry noted the proposed schedule covers approximately three years until the building is occupied. The process for Council decisions and design is estimated at 18 months. The construction of improvements is estimated at 12 to 18 months, depending on the project scope. The design phase includes three steps: 1) schematic design, 2) design development, and 3) contract documents.

Carla Weinheimer, Community Development Manager, explained that the schematic design phase involves identifying the scope and elements of the project. The design team then enters design development which involves developing specific design ideas and cost estimates. The contract document phase addresses technical and engineering issues related to the building improvements to facilitate the bidding process.

Mr. Terry said the first six months of the design process will drive the rest of the project's development. The first issue to be resolved is what functions will be housed in the building. This decision is slated for March 2003 on the proposed schedule. A series of alternatives will be analyzed beginning in February/March and extending through June to determine the feasibility and costs of potential improvements.

Mr. Terry described staff's recommended plan for public involvement:

- One or more public hearings prior to Council's decision in March about what functions will be located in the building.
- One or more public hearings prior to the June decision on the project scope, budget, and timing.
- Public outreach by staff to engage the community in a dialogue about choices and trade-offs.
- Establish a Technical Advisory Committee composed of Bellevue residents with particular technical skills or knowledge applicable to the decisions to be made.

Councilmember Lee is interested in the possibility of locating Public Safety and additional City functions in the building, depending on costs and available revenue. He looks forward to hearing from the community and is in favor of establishing a technical citizen committee as proposed by staff.

Deputy Mayor Degginger expressed support for the public involvement approach outlined by staff. He feels the citizen committee will be able to provide both technical assistance and oversight of the planning process. He envisions an interdisciplinary committee including construction, architecture, design, finance, and legal professionals. Mr. Degginger suggested that three public hearings be held, one for each of the major questions: 1) How should the building be used? 2) What improvements should be made? and 3) How should the improvements be financed?

Mr. Mosher would like to ensure the schedule moves quickly enough to enable the City to take advantage of low interest rates and favorable construction costs. Mr. Terry said staff would like to be able to put the project out for bid by early 2004. He said construction companies are

already inquiring about the City's plans for this building. Mr. Mosher is in favor of the proposed public involvement approach including a technical citizen committee.

Mr. Creighton expressed support for the project schedule. He suggested a public presentation of the City's work to date prior to the first public hearing. He would like to move forward as expeditiously as possible.

Dr. Davidson supports the schedule and public involvement plan. He feels two public hearings would be sufficient, prior to the March and June decision points.

Mr. Terry said staff plans to provide regular briefings to Council on the project's progress.

Mayor Marshall thanked staff members for their work. She noted Council concurrence to proceed with staff's proposed plan.

(e) Comprehensive Plan and Land Use Code Amendments to Permit Additional Uses in the GC District

Planning Director Dan Stroh recalled that Council adopted on August 5, 2002, a Comprehensive Plan amendment to allow additional business-serving retail uses in the General Commercial (GC) district. In September Council directed the Planning Commission to study and hold a public hearing on the issue of adding miscellaneous retail and apparel uses in the GC district.

Patsy Bonincontri, Chair of the Planning Commission, presented the Commission's recommendation to:

- Amend the General Commercial (GC) definition in the Comprehensive Plan glossary to permit miscellaneous retail and apparel uses.
- Revise the glossary definition of the GC district in the Land Use Code (Section 20.10.320) to reflect the amendment to the Comprehensive Plan definition.
- Add "miscellaneous retail trade" and "apparel and accessories sales" as permitted uses in the GC zoning district on the Wholesale and Retail Use Charts (20.10.440). This would occur by placing a "P" in the boxes of SLUC code numbers 56 and 59.

Ms. Bonincontri said the Commission's position is based on input from business owners as well as changes in the community and the economy since zoning designations were established in the 1970s. The Commission decided against imposing a maximum size for any of these uses, noting that other uses in the GC zone do not have a maximum size limitation.

Mr. Stroh said staff recommends a maximum size limitation if additional uses are permitted. He recalled staff's briefing to Council in September 2002 regarding potential detrimental effects on auto dealers if other large retail uses are allowed. Noting that many auto dealers are located on leased land, Mr. Stroh read from the Heartland report: "It is impossible to predict over the long term how the demand for retail space and the affordability of land will impact the competitive position of these dealers, but by adding new retail uses to the GC zone, the ability of auto dealers to compete with retail uses could be diminished as retail sales accelerate and land values

increase.” The report recommended a maximum size limitation as one way to address this issue. Mr. Stroh noted that Council initiated the Wilburton/NE 8<sup>th</sup> Street Corridor Study, which constitutes a large share of the city’s GC zone. The study could result in provisions designed to preserve or encourage auto dealers and/or other types of uses in specific areas within the GC zone. Staff anticipates reporting the results of this study to Council by mid-year. Staff recommends imposing a size limitation on miscellaneous retail trade and apparel/accessories retail uses pending the outcome of the Wilburton study.

Mr. Stroh said amendment of the Land Use Code to allow additional uses in the GC zone will require amendment to the Comprehensive Plan as well. If Council chooses to process an amendment separately from the annual Comprehensive Plan amendment process, it would be necessary for Council to adopt an ordinance declaring that an emergency exists based upon the record developed before the Planning Commission. Staff recommends the declaration of an emergency to expedite implementation of the change in allowable GC uses.

Responding to Mr. Lee, Mr. Terry elaborated on the potential impact of expanding allowable uses without imposing a size limitation. He described the recent purchase of a warehouse at a price that exceeded some of the local auto dealer transactions. The owner then tore down the warehouse and built a new “large box” retail building. Mr. Terry said this transaction concerned City staff because of the threat it poses for lower-priced land in the GC district.

Responding to Mr. Creighton, Mr. Stroh said the proposed concept of an auto overlay represents design guidelines to better accommodate and promote auto dealers where appropriate.

Mr. Mosher promoted the idea of the highest and best use of land and expressed concern about creating an inequitable district or overlay area. He is reluctant to impose a size limitation when other uses are not similarly restricted.

Ms. Bonincontri reiterated that the Planning Commission was not in favor of a size limitation. However, the Commission is open to staff’s idea for an auto overlay to maintain auto dealers within the community.

Dr. Davidson expressed concern about limiting the market by restricting retail uses. He commented that 5,000 square feet sounds small for a retail use.

Mr. Noble noted that no auto dealers have spoken to Council to express concern about the potential impact of a change in permitted GC uses. Responding to Mr. Noble, Ms. Bonincontri said no auto dealers testified during the Planning Commission’s public hearing.

Responding to Mr. Degginger, Mr. Stroh said staff will continue its Wilburton corridor study whether or not a size limitation is adopted for uses in the GC zone. Mr. Stroh said other actions could be taken to improve the business climate for auto dealers. A major issue for auto dealers is the need for auto storage space.

Responding to Mayor Marshall, Mr. Terry said auto dealers generate 15 to 20 percent of the city’s sales tax revenues. Mr. Terry explained that consumers are attracted to auto dealers who

are clustered together because of the convenience in comparison shopping. Therefore staff cautions against the potential impact of intervening uses. Mr. Terry encouraged Council to think about its long-term vision for the Wilburton/NE 8<sup>th</sup> Street corridor.

Dr. Davidson noted that “big box” retailers already exist within the GC district so he is not convinced that a size limitation on miscellaneous retail uses and apparel/accessories will have any impact on auto dealers. Mr. Degginger concurred.

Mr. Lee questioned whether it is appropriate for Council to attempt to influence the market economy to this extent. He suggested perhaps incentives should be considered instead.

Mr. Noble expressed support for the Planning Commission’s recommendation. Mr. Degginger concurred.

Following additional brief discussion, Mayor Marshall indicated Council concurrence with the Planning Commission’s recommendation and staff’s recommendation to declare an emergency to process the related Comprehensive Plan amendment.

Deputy Mayor Degginger thanked Ms. Bonincontri for her service on the Planning Commission and the Construction Code Advisory Committee.

At 8:52 p.m., Mayor Marshall declared a break. The meeting resumed at 9:00 p.m.

(f) Land Use Code Amendments relating to Public and Private School Development Projects

Legal Planner Kate Berens explained that the Bellevue School District recently passed a bond issue to complete facility upgrades for 23 schools within the district. In light of the number of school projects that will be submitted for review over the next several years, staff reviewed existing school regulations to ensure they are still sufficient to adequately address the way communities view and use school facilities today. Ms. Berens reviewed recommended changes to the Land Use code affecting public and private school development projects:

Substantive Amendments

- Amend the definition of school to include attendance by some children younger than kindergarten age.
- Eliminate minimum site size and playfield requirements. The State no longer mandates minimum site size or playfield requirements.
- Amend the current 50-foot side and rear setback requirement applicable to schools in residential land use districts to allow for a reduction to 30 feet if the impacts of allowing a structure closer to the property line are minimal and if a landscaped buffer or increased width is provided.
- Amend dimensional requirements for schools to allow increased building heights in specific situations. The intent is to encourage desirable design features and to accommodate facilities such as theaters, libraries, and gymnasiums.

- Amendments to address site and building design, consistent with guidelines applicable to development within transition areas.

Ms. Berens described a recommended process amendment to modify the use chart for schools to allow certain school projects in residential districts to be processed as an administrative conditional use (ACU) and to allow school projects in all commercial districts as an ACU. Conditional use review would still be required for school projects in residential districts involving: 1) the development of a school on a site not previously developed with a school, 2) an increase in the number of students attending the facility of more than 20 percent, 3) a change in the age group of students attending the facility, 4) the development of facilities with impacts not anticipated at the time of the original development of the school.

Planning Commission Chair Patsy Bonincontri commented that the Commission recommends approval of the proposed school-related Land Use Code amendments. She said most of the public testimony before the Commission supported efforts to update local schools

Dr. Davidson expressed concern about increasing building heights to 75 feet. Mr. Terry said the increased height would only be allowed for specific uses such as a performing arts theater. Mr. Mosher noted that conditional use review would still be required in these cases. He commended staff for working to accommodate school facilities in a reasonable and cost-effective manner.

Responding to Mr. Degginger, Ms. Berens said the recommended change in the definition of a school is intended to acknowledge private, state-certified schools with pre-kindergarten students and to allow these schools to develop under the provisions applied to public schools. She noted that some types of development are limited to school sites covering five acres or more. Many private school sites are smaller and would not be able to utilize specific development provisions such as increased building height. In further response, Ms. Berens said the recommended amendments will make it somewhat easier for private schools containing a pre-kindergarten element to locate in residential areas. This is based on the reasoning that public schools are allowed in residential areas, and private and public schools present similar impacts to neighborhoods.

Responding to Mr. Lee, Ms. Berens said preschools are regulated as day care centers in Bellevue.

Dr. Davidson is concerned the community will end up with large schools on small sites with inadequate playfields and setbacks. Ms. Bonincontri said the reduced setback requirement is intended to accommodate Bellevue School District's plans to expand existing school facilities. She noted that safeguards are in place to limit the smaller setbacks to specific situations. Mr. Terry noted that uses within the proposed 30-foot setback are more restrictive than uses allowed under the current 50-foot setback requirement.

Responding to Mr. Creighton, Ms. Berens said church-affiliated schools certified by the state will be treated the same as public schools and other private, state-certified schools in terms of development regulations.



Mayor Marshall presented the example of Hilltop School in her neighborhood, which is surrounded by residential development. She questioned how the proposed amendments could affect this school and the neighbors. Ms. Berens said the school could be allowed to demolish and rebuild as long as the school's plan was not designed to accommodate an increase of 20 percent or more in the current student population. Adding items to the site such as lighted ballfields or increased building heights would trigger the conditional use process, however. Such a school would be allowed to expand or rebuild utilizing 30-foot setbacks instead of the current 50-foot setbacks under the proposed amendments. However, landscaping requirements would apply. Responding to Mayor Marshall, Ms. Berens said the City has always applied the same regulations and treatment to public and private schools.

Mr. Terry clarified that both administrative conditional uses and full conditional uses require public notice and a staff report. The conditional use process involves a hearing before a City Hearing Examiner, while administrative conditional uses are heard by a Hearing Examiner only if an appeal is filed.

Mr. Degginger stated his lingering concern about changing the definition of school and potential unintended consequences. He would like more analysis and evaluation from staff before taking action on the proposed Land Use Code amendments.

Dr. Davidson is concerned about the potential development of two-story schools, which he feels might not fit in well with residential areas. Mayor Marshall encouraged Councilmembers to visit Phantom Lake Elementary School to view a good example of a two-story school. The school recently added a second story to preserve space for outdoor recreation areas.

Mayor Marshall described the cooperation and coordination between the City and Bellevue School District to facilitate development and rehabilitation projects. She thanked Associate Planner Toni Pratt, who has been assigned to work with the District in this effort.

Mr. Terry said staff will develop scenarios to discuss with Council next week that will demonstrate the potential consequences of the proposed Land Use Code amendments.

(g) DSI – Customer Feedback Survey Results

Mr. Sarkozy asked staff to provide an update on the ongoing Development Services Improvement (DSI) initiative to streamline and enhance the City's permitting processes. Mike Brennan, Building Official, noted that a customer survey was conducted last year to establish baseline data regarding development review and permitting functions.

Jocelyn Mathiasen, Assistant to the City Manager, said surveys were sent to all customers who received permits or approvals (requiring review) between January 1, 2000, and September 30, 2002. The response rate was 14 percent representing 210 single-family responses and 175 commercial responses. She noted that responses tended to be very positive or very negative in terms of reporting experiences with the review and permitting process. Customer service in terms of friendliness and courtesy received high marks. However, respondents expressed frustration with the lack of timeliness, lack of predictability, lack of consistency, the inability to

find out the status of a particular application, and a lack of information and advice on the overall process.

Ms. Mathiasen noted that 60 percent of the respondents reported Bellevue's process compares positively with other cities. In response to the same question, 24 percent had no opinion and 16 percent thought Bellevue compared negatively.

Ms. Mathiasen said there was little variation in responses between customer groups (homeowners, contractors, architects, etc.). However, professionals rated the permit center somewhat higher than homeowners. Homeowners rated the responsiveness of reviewers and completeness of reviews somewhat higher than did professionals. Customers of plats and short plats consistently rated the experience more negatively than other customers.

Ms. Mathiasen said survey results have been posted on the City's web site, which has a DSI-dedicated web page. In addition, specific descriptions of negative experiences have been forwarded to the appropriate managers. Ms. Mathiasen said most of the problems identified through the survey are issues already being addressed by the DSI initiative. Staff plans to address all issues and problems raised throughout the DSI effort. One area of emphasis, based on the recent survey results, will be consistency and communication related to reviewers and inspectors. Ms. Mathiasen noted the survey will be conducted on an annual basis to continue to solicit customer feedback. Mr. Brennan said the survey provides valuable and helpful information for staff.

Mr. Mosher commended staff's effort to collect and address the survey results. He reinforced the need for consistency in the permitting process. He feels comparative information, over time and with other cities, is helpful for staff and Council.

At 9:52 p.m., Mayor Marshall declared the meeting adjourned.

Myrna L. Basich  
City Clerk

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